

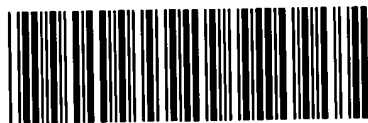
Registration number: 05579645

# Centrica Nigeria Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

TUESDAY



\*L6AXYXER\*

LD4

18/07/2017

#117

COMPANIES HOUSE

## **Centrica Nigeria Limited**

### **Contents**

Strategic Report	1 to 2
Directors' Report	3 to 5
Statement of Directors' Responsibilities	4
Independent Auditors' Report	6 to 7
Income Statement	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 15

## **Centrica Nigeria Limited**

### **Strategic Report for the Year Ended 31 December 2016**

The Directors present the Strategic Report for Centrica Nigeria Limited (the "Company") for the year ended 31 December 2016.

#### **Review of the business**

The principal activity of the Company is to act as an investment holding company. There was no activity in the Company during the current year.

The Company's Financial Statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosures Framework ('FRS 101').

#### **Financial position**

The financial position of the Company is presented in the Statement of Financial Position on page 10. Total equity at 31 December 2016 was £2 (2015: £2).

#### **Principal risks and uncertainties**

From the perspective of the Company the principal risks and uncertainties are integrated with the principal risks of the Centrica plc group (the "Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are disclosed on pages 56-64 of the 2016 Annual Report and Accounts of the Group, which does not form part of this report.

#### **Key performance indicators (KPIs)**

The directors of the Centrica plc Group (the 'Group') manage the Group's operations on a divisional basis. For this reason the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development or position of the business. The development and performance of the Group, which includes the Company, is discussed on pages 18-19 of the 2016 Annual Report and Accounts of the Group, which does not form part of this report.

#### **Future developments**

The Company will continue to act as an investment holding company for the foreseeable future.


## **Centrica Nigeria Limited**

### **Strategic Report for the Year Ended 31 December 2016 (continued)**

#### **Exit from the European Union**

The UK referendum vote in June 2016 to leave the European Union has added to the uncertainties faced by the business. However, we believe that the direct impact on the business of these events is limited in the short-term. Many details of the implementation process remain unclear. Extricating from the European Union treaties is a task of immense complexity but with that being said, the business is well-positioned to manage any market impacts. There are also potential tax consequences of the withdrawal agreement which we will continue to reassess (at each reporting date) to ensure our tax provisions reflect the most likely outcome following the withdrawal.

Approved by the Board on 11 July 2017 and signed by:

 J. ELLIOT

By order of the Board for and on behalf of Centrica Secretaries Limited  
**Company Secretary**

Company registered in England and Wales, No. 05579645

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

## **Centrica Nigeria Limited**

### **Directors' Report for the Year Ended 31 December 2016**

The Directors present their report and the audited Financial Statements for the year ended 31 December 2016.

#### **Directors of the Company**

The directors who held office during the year were as follows:

NW Lumley (resigned 14 April 2017)

AD Le Poidevin

C Redcliffe

The following director was appointed after the year end:

PMR Tanner (appointed 14 April 2017)

#### **Principal activity**

The principal activity of the Company is to act as an investment holding company.

#### **Results and dividends**

The results of the Company are set out on page 8. The result for the financial year ended 31 December 2016 is £nil (2015: £nil). No dividends were paid during the year (2015: £nil) and the Directors do not recommend the payment of a final dividend (2015: £nil).

#### **Future developments**

Future developments are discussed in the Strategic Report on page 1.

#### **Directors' liabilities**

Directors' and officers' liability insurance has been purchased by the ultimate parent company, Centrica plc, and was in place throughout the year under review and up to the date of signing of the Financial Statements. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

The Company maintains indemnity insurance for its Directors and officers against liability in respect of proceedings brought by third parties, subject to the terms and conditions of the Companies Act 2006.

## **Centrica Nigeria Limited**

### **Directors' Report for the Year Ended 31 December 2016 (continued)**

#### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable UK law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to the auditors**

Each of the Directors who held office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## **Centrica Nigeria Limited**

### **Directors' Report for the Year Ended 31 December 2016 (continued)**


#### **Statement of Directors' Responsibilities (continued)**

##### **Reappointment of auditors**

Following a rigorous selection by the Audit Committee of Centrica plc, Deloitte LLP was selected as the Group's external auditor for the financial year commencing from 1 January 2017. Consequently, PricewaterhouseCoopers LLP will remain auditors of the Company until the formal resignation process has been completed later in 2017, after which Deloitte LLP will be appointed as auditors of the Company.

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office, until the formal resignation process has been completed.

Approved by the Board on 11 July 2017 and signed by:

 J. ELLIOT

By order of the Board for and on behalf of Centrica Secretaries Limited  
**Company Secretary**

Company registered in England and Wales, No. 05579645

Registered office:  
Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

## **Centrica Nigeria Limited**

### **Independent Auditors' Report to the Members of Centrica Nigeria Limited**

#### **Report on the financial statements**

##### ***Our opinion***

In our opinion, Centrica Nigeria Limited's financial statements (the 'financial statements'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### ***What we have audited***

The financial statements, included within the Annual Report and Financial Statements (the 'Annual Report'), comprise:

- the Statement of financial position as at 31 December 2016;
- the Statement of changes in equity for the year ended 31 December 2016;
- the Income statement for the year then ended;
- the Statement of comprehensive income for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

##### **Other matters on which we are required to report by exception**

###### ***Adequacy of accounting records and information and explanations received***

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

##### ***Directors' remuneration***

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.



## **Centrica Nigeria Limited**

### **Independent Auditors' Report to the Members of Centrica Nigeria Limited (continued)**

#### **Responsibilities for the financial statements and the audit**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)'). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

.....  
Bruce Collins (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP

7th Floor  
The Capitol  
431 Union Street  
Aberdeen  
AB11 6DA

Date: 11 July 2017

## Centrica Nigeria Limited

### Income Statement for the Year Ended 31 December 2016

	2016 £	2015 £
Result before income tax	-	-
Income tax expense	<u>-</u>	<u>-</u>
Result for the year	<u><u>-</u></u>	<u><u>-</u></u>

The above results were derived from continuing operations.

The notes on pages 12 to 15 form an integral part of these financial statements.

**Centrica Nigeria Limited**

**Statement of Comprehensive Income for the Year Ended 31 December 2016**

	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
Result for the year	-	-
Total comprehensive income for the year	-	-

The notes on pages 12 to 15 form an integral part of these financial statements.

## Centrica Nigeria Limited

### Statement of Financial Position as at 31 December 2016

	Note	2016. £	2015 £
<b>Current assets</b>			
Trade and other receivables	6	<u>2</u>	<u>2</u>
<b>Total assets</b>		<u>2</u>	<u>2</u>
<b>Equity</b>			
Share capital	7	42,799	42,799
Accumulated losses		<u>(42,797)</u>	<u>(42,797)</u>
<b>Total equity</b>		<u>2</u>	<u>2</u>

The financial statements on pages 8 to 14 were approved and authorised for issue by the Board of Directors on 11 July 2017 and signed on its behalf by:



AD Le Poidevin

Director

Company number 05579645

## Centrica Nigeria Limited

### Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £	Accumulated losses £	Total equity £
At 1 January 2016	42,799	(42,797)	2
Results and total comprehensive income for the year	-	-	-
At 31 December 2016	42,799	(42,797)	2

	Called up share capital £	Accumulated losses £	Total equity £
At 1 January 2015	42,799	(42,797)	2
Results and total comprehensive income for the year	-	-	-
At 31 December 2015	42,799	(42,797)	2

The notes on pages 12 to 15 form an integral part of these financial statements.

## **Centrica Nigeria Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016**

#### **1 General information**

The Company is limited by share capital and is incorporated and domiciled in the UK.

The address of its registered office is:

Millstream  
Maidenhead Road  
Windsor  
Berkshire  
SL4 5GD

#### **2 Accounting policies**

##### **Basis of preparation**

The Company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements as it's a wholly-owned subsidiary of Centrica plc. These financial statements present information about the Company as an individual undertaking and not about its group, and have been prepared on a going concern basis, as described in the Directors' Report.

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs.

These financial statements are presented in pound sterling (with all values rounded to the nearest pound except when otherwise indicated), which is also the functional currency of the Company.

These financial statements have been prepared on a going concern basis under the historical cost convention.

##### **New standards, amendments and IFRIC interpretations**

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2016, have had a material impact on the Company.

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

## **Centrica Nigeria Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Investments in subsidiaries**

Fixed asset investments in subsidiaries' shares are held at cost, in accordance with IAS27: "Separate Financial Statements", less any provision for impairment as necessary.

##### **Financial instruments**

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when the Company no longer has the rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are de-recognised when the obligation under the liability is discharged, cancelled or expires.

##### **a) Trade and other receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are initially recognised at fair value, which is usually original invoice amount and are subsequently held at amortised cost using the effective interest rate method less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the Company may not be able to collect the trade receivable. Balances are written off when recoverability is assessed as being remote. If collection is due in one year or less receivables are classified as current assets. If not they are presented as non-current assets.

##### **b) Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received. Own equity instruments that are re-acquired (treasury or own shares) are deducted from equity. No gain or loss is recognised in the Company's income statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### **3 Directors and employees**

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company and are payable for services wholly attributable to other Centrica plc subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these Financial Statements.

No compensation was paid to Directors for loss of office (2015: nil).

The Company has no employees (2015: nil).

## Centrica Nigeria Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 4 Auditors' remuneration

The Company audit fee is paid by the ultimate parent undertaking, Centrica plc and is not recharged to the Company. An estimate of the fee attributable to the Company is:

	2016	2015
	£	£
Audit of the Financial Statements	13,360	13,071

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group Financial Statements of its ultimate parent, Centrica plc.

#### 5 Investments

	2016	2015
Cost and net book value	£	£
As at 1 January and 31 December	-	-

The Company's investment relates to subsidiary Centrica Resources (Nigeria) Limited, for which the proportion of ownership interest and voting rights held is 100% (2015: 100%). The principal activity of the subsidiary is Oil and Gas exploration. However, the company has no active interests in any oil and gas licenses. The class of shares held is ordinary and the country of incorporation is Nigeria. The registered address of the subsidiary is Centrica Resources (Nigeria) Limited, Sterling Towers, 20 Marina Street, Lagos.

#### 6 Trade and other receivables

	2016 Current	2015 Current
	£	£
Amounts owed by group undertakings	2	2

All amounts owed by group undertakings are current, interest free and repayable on demand



## Centrica Nigeria Limited

### Notes to the Financial Statements for the Year Ended 31 December 2016 (continued)

#### 7 Share capital

##### Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>42,799</u>	<u>42,799</u>	<u>42,799</u>	<u>42,799</u>

#### 8 Immediate and ultimate parent undertaking

The immediate parent undertaking is Centrica Beta Holdings Limited, a company registered in England and Wales.

The ultimate parent and controlling party is Centrica plc, a company registered in England and Wales, which is the only company to include these financial statements in its consolidated statements. Copies of the Centrica plc consolidated financial statements may be obtained from [www.centrica.com](http://www.centrica.com).